

**IOWA RACING AND GAMING COMMISSION
MINUTES
MARCH 4, 2010**

The Iowa Racing & Gaming Commission (IRGC) met on Thursday, March 4, 2010 at the Stoney Creek Inn and Conference Center, Johnston, Iowa. Commission members present were Greg Seyfer, Chair; Toni Urban, Vice Chair; and members Kate Cutler, Andrea Harrison and Paul Hayes.

Chair Seyfer called the meeting to order at 8:30 AM, and advised there was one amendment to the agenda – the contract for Kinseth Hotel under agenda item 6B (Prairie Meadows Racetrack & Casino (PMR&C) is being deferred until the April Commission meeting, and will be discussed under agenda item 6D. Chair Seyfer requested a motion to approve the agenda as amended. Commissioner Cutler so moved. Commissioner Urban seconded the motion, which carried unanimously.

Chair Seyfer moved to the approval of the minutes from the January 14, 2010 Commission meeting and requested a motion. Commissioner Urban moved to approve the minutes as submitted. Commissioner Harrison seconded the motion, which carried unanimously.

Chair Seyfer called on Jack Ketterer, Administrator, for announcements. Mr. Ketterer outlined the upcoming meetings of the Commission as follows:

- March 23, 2010 – New Applicant Presentations, Stoney Creek Inn, Johnston, IA (START TIME: 10:00 AM)
- April 6, 2010 – Division of Criminal Investigation Background Reports Re: New Applications – **CLOSED SESSION** – Stoney Creek Inn, Johnston, IA
- April 7, 2010 – Proposed Casino Site Visits by Commissioners & Staff
- April 14, 2010 – Proposed Casino Site Visit – Larchwood, IA
- April 15, 2010 – Ameristar Casino, Council Bluffs, IA (Submissions due by April 1, 2010)
- May 4, 2010 – Public Hearing – New License Applications, Stoney Creek Inn, Johnston, IA
- May 13, 2010 – Commission Meeting (START TIME: 10:00 AM)
- June 3, 2010 – Stoney Creek Inn, Johnston, IA (Submissions due by May 20, 2010)

He advised that the meeting on March 23rd will be for the new applicants to make their presentations to the Commission. The presentations will be the only agenda item, and the meeting is open to the public. The presentations will be at 10:00, 11:00, 1:00 and 2:00. The order of the presentations will be determined at the end of the meeting by means of a drawing. On April 6th, the Commission members will be receiving the Division of

Criminal Investigation background reports. This is the only portion of the licensing process that is closed to the public. Both the March 23rd and April 6th meetings will be held at Stoney Creek Inn.

On April 7th, the Commission and staff members will visit the central Iowa proposed casino sites in Webster County, Tama and Wapello County. On April 14th, in connection with the April 15th regular Commission meeting to be held at Ameristar Casino, the Commission will visit the proposed site in Lyon County.

On May 4th, the Commission will hold a Public Hearing regarding the proposed casinos at Stoney Creek Inn. This meeting is an opportunity for any member of the public that is not connected with any of the applicants, to comment on anything having to do with the application process for new licenses. Mr. Ketterer stated that the applicants should be in attendance to respond to some of the public input; Commission members will also have an opportunity to ask questions of them at this time. This will be the time when the Commission members have the most information available to them regarding the applications and proposed sites. On May 13th, the Commission will make their final decision on the new applications, which will be the only item on the agenda.

The Commission's last regularly scheduled meeting for Fiscal Year 2010 will be held on June 3rd at Stoney Creek Inn. Mr. Ketterer advised that meeting dates for Fiscal Year 2011 will be announced at the April Commission meeting.

Mr. Ketterer requested Chair Seyfer's permission to read a statement related to the recent breach of the Commission's server that affected many of those in attendance. A copy is attached and incorporated in its entirety by this reference. Mr. Ketterer expressed regret for any anxiety and concern caused and thanked IRGC staff and State Printing for their assistance in getting the letters out, and especially Karyl Jones for putting in some long hours throughout this process. He expressed his hope that the Commission would never have to deal with this type of situation again.

Chair Seyfer called on Horseshoe Casino/Bluffs Run Greyhound Park (BRGP). Janae Sternberg, Director of Finance, presented a contract with Siemens IT Solutions to provide information technology services.

Hearing no comments or questions concerning the contract, Chair Seyfer requested a motion to approve the contract. Commissioner Cutler moved to approve the contract as submitted by Horseshoe Casino/BRGP. Commissioner Hayes seconded the motion, which carried unanimously. (See Order No. 10-10)

Chair Seyfer called on Mystique Casino/Dubuque Greyhound Park (Mystique). Roger Hoeger and Brian Carpenter, Assistant General Manager and Director of Racing respectively, were present to address the 45-day submission for the upcoming live race meet and the contract with McClain Excavating for the removal and replacement of sand in the kennel area.

Chair Seyfer called for any comments or questions concerning the 45-day plan or the contract. Mr. Ketterer acknowledged the contract to remove and replace the sand in the kennel compound area; noting that it was a large expense, but one that needed to be made.

Hearing nothing further, Chair Seyfer requested a motion, noting there were staff recommendations to be included in the motion. Commissioner Hayes moved to approve the 45-day plan as submitted by Mystique contingent upon the completion of all appropriate Division of Criminal Investigation (DCI) backgrounds, that staff approve simulcast schedule requests to insure compliance with all regulatory requirements as well as a required tote test prior to live racing; and these additional requirements: that Mystique staff meet with IRGC staff and the totalizator company to implement testing recommendations, and they work with commission staff on an ongoing basis to review procedures related to housing, management, care, infectious disease control and welfare of racing greyhounds; including periodic review with staff members and IGA representatives on track maintenance and safety issues, and the additional contract. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 10-11)

Chair Seyfer called on PMR&C. Derron Heldt, Director of Racing, submitted a request to amend the post time schedule for the 2010 Quarter Horse meet, which runs from August 13th through September 25th. The post times for races on Monday and Tuesday would change from 3:30 PM to 6:30 PM. PMR&C also requested a special post time of 4:00 PM for Monday, September 6th. The start time on September 6th will allow PMR&C to showcase the American Futurity Race, which is similar to what they do with the Triple Crown races for the thoroughbreds. Mr. Ketterer asked if the change was being made due to simulcasting. Mr. Heldt answered in the affirmative, stating PMR&C felt they could see an increase in handle and simulcast revenues.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Urban moved to approve the requested change in post times for the quarter horse meet. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-12)

Chair Seyfer moved to the contracts approvals for PMR&C. Gary Palmer, General Manager, presented the following contracts for Commission approval:

- Cities Edge Architects – Architectural Services – Hotel Development
- Durkan Patterned Carpet – Specialty Carpet for Casino
- Shive-Hattery Inc. – Engineering Services
- Weitz Company – Construction Services – Hotel Development

Commissioner Urban asked Mr. Palmer to bring the Commission up-to-date on the whole process relating to the hotel. Mr. Palmer stated that in order to get the “fishbowl”, PMR&C has to do some work in order to attach the hotel to the existing property. The

first phase is the “fishbowl”, which requires a roof being put over some current square footage that will be unreachable later due to framing, etc. Weitz Company will be performing that work for PMR&C. They will also be performing work related to the utilities. Mr. Palmer stated that PMR&C would be spending approximately \$1.5 million just to be able to start building the hotel. Mr. Palmer stated that is also the reason behind the contracts with Cities Edge, Durkan Patterned Carpet and Shive-Hattery, Inc.

Commissioner Urban pointed out that the contract with Weitz was for \$7 million, and asked if that was what PMR&C anticipated the cost would be to add the roof, etc. Mr. Palmer answered in the affirmative, advising that PMR&C would be spending approximately \$10 million of their own money as they have to put the utilities in. He stated that PMR&C would own approximately 17% of the hotel, or the convention space on the bottom floor, which is creating additional costs for them.

Commissioner Urban asked how PMR&C intended to cover those costs. Mr. Palmer advised that PMR&C has a line of credit of \$10 million that is available if needed. He noted that PMR&C is debt-free at this time.

Commissioner Urban asked about the \$5 million contract with Kineth. Mr. Palmer stated that is what PMR&C will owe them for PMR&C’s part of the utilities, expenses of connecting the facility to the hotel, and certain items that PMR&C has committed to do for Kineth for the construction of the hotel. He stated that PMR&C’s Board of Directors approved five contracts with Kineth, which will now be presented to the Polk County Board of Supervisors. Mr. Palmer stated that PMR&C is not worried about the financial end of the hotel at this time. Commissioner Urban pointed out that in previous discussions concerning additional parking, or other capital improvements; PMR&C has indicated they did not have the funds to do the projects.

Hearing no further comments or questions concerning the contracts, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the contracts as submitted by PMR&C. Commissioner Hayes seconded the motion, which carried unanimously. (See Order No. 10-13)

Chair Seyfer moved to the hotel update. Mr. Palmer advised that he had distributed copies of the Hotel Concept Plan, noting that groundbreaking will take place in May and be completed by July 2011. (Copy attached) He stated that Tom Flynn, legal counsel, had reviewed the contracts that were signed the previous day.

Chair Seyfer asked if there is an underlying ground lease, or just how the title would be held. Mr. Flynn advised that PMR&C has the lease with Polk County, and will enter into a lease with Kineth. The project will be condominiumized; two separate taxing parcels will be created. One will be the hotel, or Kineth’s unit, and the other one will be the link and banquet and eating rooms, or PMR&C’s 17% of the project. Kineth will have a 60-year lease on the hotel, and pay rent on a sliding scale: the first payment is \$4 million of gross sales; the rent will increase as sales improve. In order to make the project attractive

and feasible for Kinseth, and its investors and lenders, PMR&C has agreed that if the referendum in November 2010 should fail, PMR&C would reimburse Kinseth for any investment in the project. If construction has started and the referendum fails, PMR&C would be obligated to reimburse Kinseth for whatever costs they have put into the hotel plus their investment.

Commissioner Urban asked if there was an agreement between Kinseth & PMR&C to purchase the hotel at some point. Mr. Flynn advised that the document under discussion provides that after 3 years Kinseth can seek to sell the hotel, and if a buyer is located, PMR&C has the right of first refusal and can purchase the hotel. After five years, PMR&C has the absolute right to purchase the property under a specific formula; the first would be the greater of the investment made by Kinseth plus a percentage, or the appraised value. This allows Kinseth to inform the investors and lenders that they will get back 100% plus or the appraised value. Mr. Flynn stated that Kinseth's last proposal to PMR&C was to get their investment back plus 110%. PMR&C's board did not agree to the proposal; thus it is an open term and has been sent back to Kinseth. It is hoped they will have an agreement by the April meeting.

Commissioner Hayes asked what steps and/or approvals had to take place in order for construction to begin. Mr. Flynn stated there are six different documents involved in this transaction, some of which involve PMR&C and Polk County. At PMR&C's board meeting yesterday, the board approved several documents; he was instructed to put those in final form and forward to Kinseth. Those documents will be submitted to the Polk County Board of Supervisors. If the Supervisors make changes to those documents, they will have to go back to Kinseth and PMR&C's boards for approval. If everyone approves, the documents will come before the Commission.

Commissioner Hayes asked if the land lease was one of the documents. Mr. Flynn answered in the affirmative. He stated that PMR&C needs to amend the land lease with Polk County. One of the major provisions in the current land lease is that PMR&C can not construct a hotel on the property. Mr. Flynn advised that the Supervisors have already informed PMR&C that they have no objection to the construction of a hotel on the property. He stated that PMR&C has tried to project and provide for the concerns of the county and Kinseth's lenders in this transaction.

Commissioner Hayes asked Mr. Flynn if this matter was part of the discussion for the new lease with Polk County. Mr. Flynn indicated it was not. Commissioner Hayes stated that it was possible the issue could surface again. Mr. Flynn stated that one of the documents that has been approved is a Recognition and Non-Disturbance Agreement which states that Polk County agrees to the construction of the hotel, and Kinseth's operation of the hotel. The document also states that if Kinseth defaults, Kinseth's lenders would step in and Polk County would honor the terms of the lease with Kinseth. Mr. Flynn stated that even though the lease is for 60 years and beyond, the lease will be honored by Polk County no matter what happens to PMR&C. Polk County will have to

agree to these conditions; the hotel lease will have a life of its own separate and distinct from the County's lease with PMR&C.

Commissioner Hayes, in reviewing a drawing from the concept plan, noted a large structure at the south end of the facility, asked if that was the parking garage. Mr. Palmer answered in the affirmative, indicating it was a 1,000 stall parking garage. Commissioner Hayes asked if the parking garage had been approved by the board at its meeting, or if the drawing was just a conceptual drawing. Mr. Palmer indicated it was just a conceptual drawing.

Chair Seyfer called for any further comments or questions concerning the hotel project. Hearing none, he moved to the update on the racing plan. Mr. Palmer stated that he had provided a copy of the signed five-year agreement with the Iowa Thoroughbred Breeders and Owners Association (ITBOA) and the Iowa Horsemen's Benevolent and Protective Association (IHBPA) to Mr. Ketterer this morning.

Tom Levis, legal counsel for the IHBPA, requested the Commission's blessing of the contract, stating if they did so, they wouldn't have to see him for five years.

Commissioner Seyfer thanked Mr. Palmer and Mr. Levis, reminding them that the Commission could "bless" the agreement, but could not approve it at this meeting as it was not an action item on the agenda.

With regard to an agreement with the Iowa Quarter Horse Racing Association (IQHRA), Mr. Palmer advised there are still some issues to be worked out, but stated he feels they are on the road to success.

Commissioner Seyfer asked the length of the proposed agreement with the IQHRA. Mr. Palmer indicated it was for three years.

Mr. Palmer next addressed an agreement with the standardbreds. He stated that the agreement the parties discussed approximately three weeks ago called for ten days of racing at PMR&C this year, and the option of \$1 million for the county fair circuit or \$250,000, at the most, to help cover the expense of removing the track surface. Mr. Palmer stated that if the standardbreds elect to take the \$1 million for the county fairs, the track surface will be packed for their races, not removed. If they agree to help cover the expense of removing the track surface, PMR&C will give them \$750,000 for the county fair race circuit.

Commissioner Urban asked the length of the proposed agreement. Mr. Palmer indicated that it would be for one year.

Commissioner Cutler asked Mr. Palmer if he anticipated being able to submit the agreement at the April Commission meeting. Mr. Palmer answered in the affirmative.

Hearing no further comments or questions for Mr. Palmer, Chair Seyfer moved to the next agenda item – Isle of Capri Casinos, Inc. (IOC) – First Amendment to Credit Agreement. Curt Beason, legal counsel, stated that the amendment provides Isle with leverage and interest coverage covenant relief through April 30, 2012 and gives them the flexibility to issue senior unsecured notes provided the proceeds are applied to pay down the senior credit facility. Additionally, Isle will increase the interest rate on both the revolving and term loan portions of the credit facility to LIBOR + 3.00% with a LIBOR floor of 2.00%. They have also agreed to reduce the revolving loan commitments by \$100 million to \$375 million.

Hearing no comments or questions for Mr. Beason, Chair Seyfer requested a motion to approve the contract as submitted by IOC. Commissioner Cutler moved to approve the First Amendment to the Credit Agreement as submitted by IOC. Commissioner Hayes seconded the motion, which carried unanimously. (See Order No. 10-14)

Chair Seyfer called on Iowa West Racing Association (IWRA)/Ameristar Casino Council Bluffs, Inc. (Ameristar). Todd Graham, Executive Director of IWRA, and Jim Franke, Interim General Manager of Ameristar, were present to address questions. Mr. Graham advised that IWRA is the non-profit sponsor for the Ameristar license in Council Bluffs, and that the current agreement expires on March 31st. The parties have agreed to an extension of the amendment to the Sponsorship Agreement for IWRA to continue their non-profit sponsorship of the license. Mr. Graham advised that the partnership has been mutually beneficial, which resulted in smooth negotiations to continue the sponsorship agreement. He thanked Ameristar for being an active corporate citizen within the community and their support of IWRA projects in the region.

At this time, Mr. Graham turned the floor over to Mr. Franke, who indicated Ameristar was grateful they could extend the partnership with IWRA. Ameristar values the care and compassion that IWRA shows to the community; that those are the same characteristics that Ameristar strives to show in the communities in which they operate.

Chair Seyfer asked if the agreement was for five years. Mr. Graham answered in the affirmative, noting it contains an option to extend it for another five years.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the Amendment to Second Amended and Restated Excursion Boat Sponsorship and Operations Agreement as submitted by IWRA and Ameristar. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-15)

Chair Seyfer called on Wild Rose Entertainment, L.L.C. (Wild Rose)/Wild Rose Clinton, L.L.C. (WRC). Tom Timmons, Vice President of Operations for WRE, stated that the Amended and Restated Management Agreement is an update of the current agreement and is very similar to the agreement approved for Wild Rose Emmetsburg (WRE). He

advised that there is no change in the money or percentages; that it is more for clarification of duties and to bring it more in line with the WRE Management Agreement.

Hearing no comments or questions for Mr. Timmons, Chair Seyfer requested a motion. Commissioner Harrison moved to approve the Amended and Restated Management Agreement between Wild Rose and WRC as submitted. Commissioner Urban seconded the motion, which carried unanimously. (See Order No. 10-16)

Chair Seyfer moved to the review of the Year-to-Date Economic Impact Reports. Mr. Ketterer advised that the licensees submit their expenditures that contribute to the overall economic impact of the industry on a quarterly basis; this year's total was \$1.61 billion. He stated that the numbers are not audited by a CPA firm, but they are reviewed by IRGC staff assigned to the facility. Mr. Ketterer stated that the licensees spent \$1.967 million with Iowa sources and vendors. He stated that one of the key categories the Commission looks at in approving contracts is to see where equipment, supplies and services are coming from, and whether it can be attributed to an Iowa source. This year 70% of their expenditures were with Iowa sources. Of the remaining 30%, approximately 12% was for gaming equipment, which generally is not available from an Iowa vendor; and 8% was for necessary or specialized sources, which are typically media buys or beverage distributorships in border locations,. Mr. Ketterer stated that he felt the numbers were down somewhat from calendar year 2009. He noted that the adjusted gross revenue being reported by the facilities is down 4-5%, the number of employees has dropped, and the amount being paid in taxes is less. Mr. Ketterer stated that the numbers were a good showing in support of Iowa goods and resources.

Chair Seyfer called for any comments or questions. Commissioner Hayes thanked the licensees for spending as much as they did with Iowa businesses. He stated that if the licensees could figure out a way to get the gaming equipment companies to locate in Iowa, it would be a home run.

Chair Seyfer moved to the Excursion Gambling Boat and Gambling Structure License Renewals, and called on IWRA and Ameristar. Mr. Graham stated that IWRA is the non-profit sponsor for both Ameristar and Harrah's Council Bluffs Casino Hotel (Harrah's), and requested the Commission's support of the license renewals for both properties. He stated that IWRA's relationship with Ameristar and Harrah's has been excellent, which has allowed IWRA to maintain its level of grants. He noted that many non-profits have had to scale back their grant programs just as the level of need has increased. Mr. Graham advised that both companies represent the non-profit well, and are good corporate citizens. Mr. Graham stated that IWRA has awarded over \$20 million in the Council Bluffs area. One of the top areas identified in the area was the need to reduce the high school drop out rate. He advised that IWRA has provided leadership and financial support for innovative programs to help reach that goal. Mr. Graham advised that over the past several years, IWRA has provided approximately \$8 million in grants to the Council Bluffs Community School Board to track the high school drop out rate and improve the quality of instruction and curriculum in the classroom. Additionally, IWRA

has provided \$4.4 million for a college accessibility program, which provides 25 9th graders with support through the remainder of their high school years and then a grant for college. Another goal of the IWRA Board is to improve the quality of “place”, and they recently announced a commitment of \$5.4 million toward the first phase of Council Bluffs’ Riverfront Park, located at the base of the pedestrian bridge connecting Council Bluffs and Omaha. The park will feature a green space, or Great Lawn, which will be utilized for concerts and festivals, numerous hiking and biking trails and other amenities. IWRA is partnering with the Iowa Department of Transportation on a sculpture park located where I-29 and I-80 converge.

At this time, Mr. Graham turned the floor over to Mr. Franke. He advised that Mr. Franke would be followed by Bo Guidry, the General Manager at Harrah’s.

Mr. Franke commenced his remarks by stating that the work of IWRA is making Council Bluffs a better place to live. He stated that he is currently the General Manager of Ameristar in St. Charles, Missouri, and is in Iowa on an interim basis. Mr. Franke noted that 2009 was a difficult year for the country, the states, and businesses. He pointed out that the gaming industry is not immune from the economic impact, but feels Ameristar did a good job. They were able to continue to reinvest in the property; \$4.4 million in new product, replaced all of the carpet on the casino floor at a cost of approximately \$500,000, and recently completed a \$3 million project to improve the air quality in the casino. Mr. Franke stated that Ameristar will continue to invest in the Council Bluffs property in 2010 by making additional upgrades totaling approximately \$1.5 million. Mr. Franke stated that Ameristar believes it is a privilege to do business in Iowa, and strives at all levels to support Iowa vendors, noting that their total economic impact was \$90 million, or 91% of total expenditures. He stated that as a brand, Ameristar is working with Meredith, an Iowa printing firm, and spent an additional \$3.1 million with the firm.

Mr. Franke advised that Ameristar takes serious issue with problem gambling, and all key members receive annual training. They are aware of the 1-800-Bets-Off helpline, the number is displayed throughout the property, and it is also included in promotional mailings. He noted the property offers patrons the ability to ban themselves from the property, as well as check cashing privileges. Mr. Franke stated that Ameristar participates in the Responsible Gaming Education Week. They have stepped up their efforts to deter underage gaming; the first phase is security officers being able to validate the ID at the turnstile; and Ameristar has purchased new technology, VeriDoc, to help determine the validity of the ID being submitted. Security officers also go through training on verifying that the individual submitting the ID is the one shown on the ID.

Mr. Franke stated that aside from IWRA’s charitable contributions, Ameristar provided \$132,000 to various charities in southwest Iowa and the Council Bluffs metro area. Key members also raised \$102,000, which was added to a company match of \$150,000, which was provided to other worthy charities within the area. He stated that many employees serve in volunteer capacities for various programs throughout the community.

Chair Seyfer called for any comments or questions concerning Ameristar's license renewal application. Commissioner Harrison commented on the many great programs, and indicated that she hoped Iowa colleges were being promoted. Mr. Franke stated that he was not aware of the specifics of IWRA's program, but advised that he would pass the information along.

Commissioner Hayes asked IWRA to provide a brief description of their process for soliciting, reviewing and awarding grants. Mr. Graham advised that the application process is completed on line, with grants being awarded four times per year. When the applications are received, they are divided into four focus areas: Economic Development, Community Development, Education and Human Resources. Staff performs due diligence on all of the applications prior to them going to committees in the four areas. Those committees make recommendations to a larger grant committee, which then makes the final recommendations to the Iowa West Foundation (IWF) Board. Mr. Graham advised that from time to time IWRA also initiates larger projects that don't go through the normal process.

Commissioner Urban asked how the IWRA and IWF Boards are made up. Mr. Graham advised that they are nominated. He stated that IWRA/IWF has five nominating bodies that submit names for openings on the board. All names remain in a pool and are considered by the nominating committee. Once an individual is elected, a determination is made as to whether they will serve on the board of IWRA or IWF. Each board has nine members, and all must be Pottawattamie County residents.

Commissioner Urban stated that one of the issues she was looking at now, as well as into the future, was that the Commission did not want the benefactors of grants to also be the grantors. She asked how IWRA and IWF prevented any overlapping when individuals were selected for the boards. Mr. Graham advised that IWRA has a new Conflict of Interest policy, which requires individuals to leave the room during the awarding of grants if they have a conflict of interest. Commissioner Urban requested a copy be sent to the office.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of IWRA/Ameristar Casino Council Bluffs, Inc. d/b/a Ameristar Casino as an Excursion Boat that will not cruise. Commissioner Hayes seconded the motion, which carried unanimously. (See Order No. 10-17)

Chair Seyfer called on Harrah's. Mr. Guidry thanked Mr. Graham and Mr. Mathiasen from IWRA; stating that they have been great to work with, and looks forward to working with them over the next several years. He requested approval of their license renewal application. Mr. Guidry presented the following contracts for Commission approval:

- Siemens IT Solutions – Information Technology Service Provider
- Simmons Hospitality – Beds for Hotel Remodel

Mr. Ketterer noted that Harrah's agreement with IWRA expires on December 31, 2010; and indicated it was his understanding that negotiations have begun. He requested an update on the process when the Commission meets in Council Bluffs in April.

Hearing no further comments or questions concerning the license renewal, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of IWRA/Harvey's Iowa Management Co., Inc. d/b/a Harrah's Council Bluffs Casino & Hotel as an Excursion Boat that will not cruise, the contracts contained within the license renewal application and the additional contracts as submitted. Commissioner Harrison seconded the motion, which carried unanimously. (See Order no. 10-18)

Chair Seyfer called on Washington County Riverboat Foundation (WCRF)/Riverside Casino & Golf Resort, LLC d/b/a Riverside Casino & Golf Resort (RCGR). Tim Putney, President of WCRF, informed the Commission that the economic impact on Washington County to date has been over \$10 million, with funds having been distributed to non-profit organizations in Washington County as well as surrounding counties. He stated that the 800 jobs at the casino have been beneficial to not only Riverside, but the entire county. He requested the Commission's approval of the license renewal application for WCRF and RCGR.

Commissioner Hayes asked for a brief description of how the applications for grants are solicited, reviewed and approved. Mr. Putney stated that WCRF's grant application is also on line; applications are accepted twice a year – in the spring and fall. The process is open to any non-profit organization in Washington County or the surrounding counties. The applications are put together by the administrator, and a copy of each application is provided to all board members (14). The applications are scored by the board members using a scoring system – by rank or importance. The members are also allowed to give partial funding to requests. After the grant applications have been scored by the full board, they are submitted to a 7-member board for additional review. This board then makes a final recommendation to the full board, which the full board then votes on.

Commissioner Hayes asked if WCRG also had a conflict of interest policy. Mr. Putney answered in the affirmative.

Chair Seyfer asked if the term "surrounding counties" included Linn County. Mr. Putney advised that WCRG has done some things in Linn County, although it's minimal. One award went to MECCA, the drug treatment center in Cedar Rapids, as well as some reconstruction/renovation in the county. Chair Seyfer clarified that they are not precluded from applying for funds. Mr. Putney advised that no one is precluded from applying for a grant.

Commissioner Urban requested that WCRG submit a copy of their Conflict of Interest Policy. Mr. Putney answered in the affirmative.

Commissioner Harrison asked if MECCA also dealt with gambling addictions. Mr. Putney stated that he believed that statement to be correct, but did not know for certain.

Joe Massa, General Manager, presented the following contracts for Commission approval:

- IGT – IGT Eastern Operations – Slot Machine Lease (Increase for 2009)
- State University of Iowa Hospitals & Clinics – Additional Health Plan Costs for 2009
- Vital Support Systems – 3-Year Support for HP

Chair Seyfer called for any comments or questions concerning the contracts as submitted by RCGR. Hearing none, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of WCRF, Inc./Riverside Casino & Golf Resort, LLC d/b/a RCGR as a Gambling Structure, the contracts contained within the license renewal, and the additional contracts. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-19)

Chair Seyfer called on Scott County Regional Authority (SCRA)/Isle of Capri Bettendorf, L.C. d/b/a Isle of Capri Bettendorf (IOCB). Nancy Ballenger and Sally Rogers, General Manager and Senior Director of Finance respectively, were present to address any questions concerning the license renewal application. Ms. Ballenger stated that she has been involved with the IOCB property since 1995, and advised that 2009 was one of the most difficult and interesting years. She indicated that while the area market grew, IOCB's core market was flat due to Jumer's opening their \$151 million land-base facility across the river. Ms. Ballenger stated that IOCB experienced a double digit decline in their revenue. She noted that IOCB gets a majority of their business from Illinois, and always have. She pointed out that IOCB continues to be the market leader in the market area. Ms. Ballenger advised there were several bright spots in the year as well; one being their partnership with the City of Bettendorf to build a convention center the addition of 500 more hotel rooms, and 45,000 square feet of flexible meeting space, which is beneficial in attracting regional and national conventions and entertainment to the area. The project cost was \$20 million. During the first year, they hosted approximately 168 events. Ms. Ballenger stated that SCRA received \$3.4 million to help meet the needs of the area.

Ms. Ballenger presented the following contracts for Commission approval:

- Colonial Life – Supplemental Insurance Coverage
- Green Bridge Company – Contract Addendum for Existing Covered Parking & Adjacent Lot (RP)

She advised that the Green Bridge contract is an update to Section 6, Paragraph B of the license renewal. They made some changes in their arrangements with the group. Ms. Ballenger requested approval of the license renewal on behalf of SCRA and all of the team members.

Commissioner Hayes asked Mr. Ketterer to request that the non-profit qualified sponsoring organizations report in writing as to the process utilized in receiving, reviewing and awarding the grants. Mr. Ketterer acknowledged the request, and advised that staff would follow up.

Mr. Ketterer noted that with the changes approved in the credit facility, IOC has more flexibility. He wondered if the Bettendorf property was any closer to taking the final leap to a land-based facility. Ms. Ballenger stated that she would love to say that a timeline is in place, but can not. They are still working on design and layout.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Harrison moved to approve the license renewal application of SCRA/Isle of Capri Bettendorf, L.C. d/b/a IOCB as an Excursion Boat that will not cruise and the additional contracts. Commissioner Urban seconded the motion, which carried unanimously. (See Order No. 10-20)

Chair Seyfer called on Riverboat Development Authority (RDA)/IOC Davenport, Inc. d/b/a Rhythm City Casino (RC). Mo Hyder, General Manager, introduced Mary Ellen Chamberlain, President of RDA, who advised that she has held that position since 1989. She stated that RDA is nearing the \$50 million mark for distributions. Ms. Chamberlain advised that they have concentrated very heavily on the redevelopment of the downtown district in order to encourage tourism and grow the area as a destination market for cultural and entertainment amenities. She stated that RDA continues to work with the city and Quad Cities Visitors and Convention Bureau to increase tourism. RDA attempts to get various groups to work together collaboratively, and asks that question of groups seeking funding from RDA. Ms. Chamberlain stated that the RDA has established a cooperative marketing tool for all of the cultural and entertainment venues in Davenport. The cooperative has developed a web page called "Experience the Quad Cities"; there are approximately 60 venues involved with the project. Ms. Chamberlain stated that RDA continues to contribute approximately \$100,000 to the Scott County Housing Council, which enables them to collect additional state and federal funds that are then placed in a trust fund. These funds are then redistributed in an effort to help with homelessness. They are also working to develop a youth shelter.

Mr. Hyder stated that RC values their partnership with RDA, and particularly Ms. Chamberlain. He advised that RC has partnered with RDA for many events. Mr. Hyder requested approval of the license renewal application.

Chair Seyfer called for any comments or questions concerning the license renewal application. Commissioner Urban inquired about a conflict of interest policy. Ms.

Chamberlain stated that RDA has had a conflict of interest policy almost from the beginning. The decision was made that if you want active people on the Board that know the community, they will be active in other areas. She stated that the policy is strongly enforced. Each board member is required to not participate in any discussions, ratings or voting on any grant in which they have a conflict of interest either through employment or relationship with the other entity. Commissioner Urban requested that a copy be provided.

Commissioner Hayes asked about the grant approval process. She advised that all of the reading is done within the Board structure. The grant application is downloadable from RDA's webpage, but the applicants are required to submit a hard copy for review. The Board is separated into three reading panels: economic/new development projects; cultural and educational, and human services. The panels score the applications; four board members and Ms. Chamberlain read all of the grant applications and score them as well. The scores are brought back in and tabulated. Following that process, two individuals from each of the reading panels participate in a review process where the scores and other criteria are reviewed in order to come up with a budget that is fair and equitable. The budget and scores go back to the full Board for comments. These are all compiled into a final budget that is voted on by the entire Board.

Hearing no further comments or questions concerning the license renewal application, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of RDA/IOC Davenport, Inc. d/b/a RC as an Excursion Boat that will not cruise. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-21)

Chair Seyfer called on Worth County Development Authority (WCDA)/Diamond Jo Worth, LLC d/b/a Diamond Jo Worth (DJW). Kim Pang, General Manager, presented a contract with Surveillance System Integration for DVR and NAS Unit replacement.

Mr. Pang introduced Kim Koenigs, Executive Director of WCDA. Ms. Koenigs distributed a packet of information which highlighted the impact the casino had in Worth County in 2009. One of WCDA's main focal points is the school system; each county senior received \$6,181.18, 1,348 county students received a gift card for free school supplies, 66 preschool students received free preschool, hundreds of teachers received money to use in their classrooms, student fees were reduced and curriculums and technology were improved. Overall, the Worth County school districts received \$2,007,737.81 in 2009. Another 96 grants totaling \$1,912,034.04 was distributed to fire departments, cemeteries, churches, playgrounds, and school libraries to name a few. Worth County also received \$284,015.87 directly. Ms. Koenigs advised that in just over three years, WCDA has distributed more than \$12 million. She pointed out that WCDA had over \$85,000 in interest that they were able to distribute to various organizations and communities.

Ms. Koenigs stated that WCDA gives 7% right off the top to the county; then one-half of the remaining funds (46.5%) go to the five different school districts. The school districts determine how they are going to spend the money, but come before the WCDA Board for approval of the expenditures. Twenty-five percent is distributed to the Township Trustees and the rest is utilized by WCDA for grants. Ms. Koenigs stated that because Worth County is small, it is rare that a grant application does not receive funding. She advised that approximately 10% is distributed outside of the county and up into Minnesota. Ms. Koenigs stated that WCDA is working on their conflict of interest policy, and will submit it when it is completed.

Commissioner Urban asked if there has been an influx of people moving into Worth County – business, retail, enterprises, etc. Ms. Koenigs stated that the communities in Worth County are trying to draw residents by making improvements to infrastructure. She stated there are families moving into Worth County so their students can receive the scholarships for college, etc. Mr. Pang stated that with regard to infrastructure, DJW is working to increase the water/sewer capacity. In order for growth and expansion, that needs to happen first. Commissioner Urban stated that if people are moving into the county, there is a need for jobs. Ms. Pang advised that DJW employs 442; 107 come from southern Minnesota; which is why WCDA distributes funds in those areas; they are trying to give back to those communities.

Mr. Ketterer asked Ms. Koenigs the percentage of the seniors take advantage of the scholarship funds every year. Ms. Koenigs stated that almost all of them apply; it is an easy application to complete. The student has to provide their name and address, is required to reside in Worth County during their junior and senior years, and they have to do something to give back to the community at some point in their life. She stated that half of the students go to NIACC in Cerro Gordo County.

Commissioner Harrison asked about the graduation rate in Worth County. Ms. Koenigs stated that she did not know the exact rate; that there are very few seniors that don't graduate. She noted there were only 107 in the most recent graduating class, which is up 20 from the previous year.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of WCDA/Diamond Jo Worth, LLC d/b/a DJW as a Gambling Structure, the contracts contained within the license renewal application and the additional contract. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-22)

Following a short break, Chair Seyfer called on the Dubuque Racing Association (DRA)/Diamond Jo, LLC d/b/a Diamond Jo (DJ). Mr. Hoeger, representing DRA, introduced Brent Stevens and Natalie Schramm, Chief Executive Officer and Chief Financial Officer for Peninsula Gaming. Mr. Hoeger stated that DRA supports the license renewal application of DJ; they have a great working relationship and have

initiated a joint marketing campaign, which has drawn customers from other communities as well as out-of-state. He noted that DJ has partnered with some local businesses in promotions, which has proven beneficial to all. The opening of the land-based facility in December 2008 has had an impact on the Ice Harbor area. Mr. Hoeger stated that DRA receives one-half percent of DJ's adjusted gross receipts, which becomes part of the distribution to local charities and the City of Dubuque. With regard to the grant program, DRA solicits applicants based upon the organization having a 501(c)(3) status or the equivalent. Five board members review all of the applications and rank them; the applications are then brought before the full board for final approval. Mr. Hoeger stated that DRA is subject to the open meetings laws, and does have a conflict of interest policy in place. He concluded his remarks by stating that to date DRA has distributed \$30.4 million to local charities since 1985.

Mr. Stevens provided some history and philosophy regarding Peninsula Gaming. He stated that Peninsula has been in business since 1999, when they acquired the Diamond Jo riverboat. Over the past ten years, Peninsula has grown, and now operates four properties in two states. Peninsula feels they should invest in their facilities and the communities wisely. He noted that the gaming industry is facing one of its most challenging times. Mr. Stevens stated that many companies are being faced with financial constraints and how they make decisions; Peninsula Gaming is proud of its ability to continue to invest in its employees, communities, facilities and customer. He noted that the gaming customer today is seeking value, and stated that when they decide to spend their entertainment dollars gaming, the industry needs to be respond and is what will drive the future of the industry. Mr. Stevens presented a contract with Reliable Technologies for computer network hardware, software and consulting for Commission approval.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Hayes moved to approve the license renewal application of DRA/Diamond Jo, LLC d/b/a DJ as a Gambling Structure, the contracts contained within the license renewal application, and the additional contract. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 10-23)

Chair Seyfer called on Black Hawk County Gaming Association (BHC GA)/IOC Black Hawk County, Inc. d/b/a Isle Casino & Hotel Waterloo (Isle). Bari Richter, General Manager, stated that the property is blessed to be located in the Cedar Valley. She advised that the property has done very well; and while revenues were flat in 2009, the property held its own in difficult economic times. Ms. Richter stated that the majority of the management team was raised in Iowa. At this time she turned the floor over to Beth Knipp, Executive Director of BHC GA, who advised that Isle has lived up to all of its commitments and are an asset to the community. She stated that in the last twelve months BHC GA has distributed \$4.4 million to 45 non-profits in 21 municipalities. Ms. Knipp stated that the goal of the BHC GA is to help the Cedar Valley prosper. Overall, BHC GA has provided \$10.1 million to 149 different projects.

Commissioner Hayes inquired about BHCGA's grant application process. Ms. Knipp advised that BHCGA has a Conflict of Interest policy as well as a Code of Ethics. Commissioner Urban requested that copies be sent to the Commission office. Ms. Knipp indicated she would do so. She advised that BHCGA has sixteen members, all of whom have chosen to review all of the grants received each year. There is a scoring/ranking process. If the board members have questions, they can submit those to her, and she will follow up with the applicant. Ms. Knipp advised that she performs the due diligence on the applicants. Grants are distributed four times per year.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Urban moved to approve the license renewal application of BHCGA/IOC Black Hawk County, Inc. d/b/a Isle as a gambling structure. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 10-24)

Chair Seyfer called on Missouri River Historical Development, Inc. (MRHD)/Belle of Sioux City, L.P. d/b/a Argosy Casino Sioux City (Argosy). Kees Eder, General Manager, advised that Mark Monson, President of MRHD, was unable to be present, but Larry Jensen, Treasurer of MHRD, was present. Mr. Jensen advised that he has been Treasurer of MHRD for the last 20 years. He stated that all Board members are impressed with the staff and management members. They are involved in the community and various organizations. Mr. Jensen stated that in 2009 MHRD approved grants to all of the community colleges in the area. He noted that MHRD celebrated its 20th Anniversary last November, and has distributed over \$17 million in that time frame.

With respect to the grant application process, Mr. Jensen advised that MHRD has a grant review committee of eight who review each grant application, rate them and then present them to the Board for final approval. Grants are distributed annually. Mr. Jensen stated that MHRD does do special grants throughout the year.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of MRHD/Belle of Sioux City, L.P. d/b/a Argosy as an Excursion Boat that will not cruise. Commissioner Urban seconded the motion, which carried unanimously. (See Order No. 10-25)

Chair Seyfer called on Clarke County Development Corporation (CCDC)/HGI-Lakeside, Inc., d/b/a Terrible's Lakeside Casino Resort (Lakeside). Bob Thursby, General Manager, introduced Bill Trickey, Executive Director of CCDC, and Craig Travers, the Regional Manager for Terrible's. Mr. Trickey expressed CCDC's support of Lakeside's license renewal application. He distributed information showing the impact of the casino on the community over the last ten years. Mr. Trickey stated that CCDC does have a Conflict of Interest policy, which is also included in their By-Laws. With respect to the grant application process, he advised that the application is available on line, but they do require that a hard copy be submitted for review. They require the application to be received 30 days prior to the next Board meeting, at which the applicant is allowed to

make a presentation and allows the Board to ask questions. The Board will make their decision at the next Board meeting. Mr. Trickey advised that grants are made over the course of the year; there is no set grant cycle. This past year they found themselves providing funds to a childhood center, food pantry; and home health care. It is not their intent to provide funds to those programs long-term, but they are willing to step in to help out during difficult economic times.

Mr. Trickey expressed CCDC's concern about the proposed casino in Ottumwa and the impact it would have on the Lakeside property, and in turn, the community.

Commissioner Urban stated that someone had inquired if there was a problem between the casinos and the non-profit sponsoring organizations. She stated that there are no problems that the Commission is aware of, but felt this was an opportune time to request some information from the non-profits in order to learn more about them and their policies.

Mr. Thursby stated that if there were no questions for him, Lakeside respectfully requested renewal of their license.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Hayes moved to approve the license renewal application of CCDC/HGI-Lakeside, Inc. d/b/a Lakeside as a Moored Barge. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-26)

Chair Seyfer called on Clinton County Community Development Association (CCCDAA)/Wild Rose Clinton, L.L.C d/b/a Wild Rose Clinton (WRC). Tim Bollman, General Manager, introduced Jerome Burken, Vice Chair of CCCDA. Mr. Burken commenced his comments by advising that CCCDA just updated their Conflict of Interest policy, and will submit a copy to the office. With regard to the grant application process, he advised that there are nine members on the Board; grants are distributed twice a year. In 2009, CCCDA distributed \$1 million, and the City of Clinton received \$78,500. Mr. Burken also provided examples of some long term commitments for funding from the CCCDA. They provided some emergency funds in the amount of \$253,000 to three different local agencies. CCCDA also distributed \$25,000 through scholarships to Clinton County students. Mr. Burken requested renewal of the license for CCCDA/WRC.

Hearing no comments or questions, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of CCCDA/Wild Rose Clinton, L.L.C. d/b/a Wild Rose Clinton as a Gambling Structure. Commissioner Hayes seconded the motion, which carried unanimously. (See Order No. 10-27)

Chair Seyfer called on Palo Alto County Gaming Development Corporation (PACGDC)/Wild Rose Emmetsburg, L.L. C./Wild Rose Emmetsburg, L.L.C. d/b/a Wild Rose Emmetsburg. (WRE) Amy Williams, General Manager, stated that WRE has

worked so hard to be a destination area. She noted that in a small community like Emmetsburg, many of the employees are related to the patrons. There is a small town feel with big city fun. Ms. Williams stated that WRE was one of the few facilities to show growth in 2009, and has not had to lay off any employees. She introduced Bill Lapczenski, representing PACGDC, who stated that they receive six percent from ownership with one percent going to communities within the county. The grant application is available on line, with distribution occurring annually. All board members read every application and score them individually. They are then turned over to an outside accountant who tabulates the scores to obtain average scores. The applications then go to a subcommittee who do a further review and make recommendations to the full Board, who determines which grants will be approved. This year's grant awards night is coming up, and PACGDC will fund all or partially fund 111 requests. Mr. Lapczenski noted that WRE is the largest employer in Palo Alto County, and Emmetsburg has experienced growth since the arrival of the casino – new restaurants, a new hotel. He stated that he has heard positive comments from surrounding communities regarding increased traffic.

Hearing no further comments or questions, Chair Seyfer called for a motion. Commissioner Hayes moved to approve the license renewal application of PACGDC/Wild Rose Emmetsburg, L.L.C. d/b/a WRE as a Gambling Structure. Commissioner Cutler seconded the motion

Chair Seyfer noted there were numerous contracts contained within the license renewal that also needed approval. Hearing no questions, he requested a motion. Commissioner Cutler moved to approve the contracts as submitted by WRE. Commissioner Harrison seconded the motion, which carried unanimously. (See Order No. 10-28)

There was discussion as to whether or not a vote had been taken regarding the license renewal of PACGDC/WRE. It was determined that a vote had not been taken; Chair Seyfer called for the vote on the license renewal. The motion carried unanimously. (See Order No. 10-29)

Chair Seyfer called on Southeast Iowa Regional Riverboat Commission (SIRRC)/Catfish Bend Casinos II, L.C. d/b/a Catfish Bend Casinos II (CBC). Jerry Baum, Chief Operating Officer for Great River Entertainment, advised that Steve Link, the new chair of SIRRC, was unable to attend today's meeting. Mr. Baum advised that CBC's revenues were relatively flat in 2009, up just 1% from the previous year. They continue to look for new marketing ideas and promotions for 2010. He stated that CBC's economic impact to southeast Iowa was \$21 million, and Huckleberry Entertainment had an economic impact of \$14 million in the area.

Chair Seyfer asked if the license renewal continued the Fort Madison portion. Mr. Baum answered in the affirmative. Chair Seyfer asked how long it had been since CBC ceased operations in Fort Madison. Mr. Baum advised that they discontinued operations in Fort Madison in November 2007. Chair Seyfer asked if the Commission would like to have a

discussion on whether or not to consider not renewing the Fort Madison portion of the license.

Commissioner Hayes stated that he would be interested in an explanation as to why they still want or need the bifurcated license. Mr. Baum stated that it has always been CBC's hope and intent when they closed the Fort Madison operations to be able to bring gaming back to Lee County at some point in a fixed facility. At this time, the Board does not feel that it is economically feasible, or to obtain the necessary financing. Mr. Baum stated they are here to move forward on a short-term basis, but are interested on a long-term basis. Commissioner Hayes pointed out that the Commission has four new license applicants that are willing to take that risk. Mr. Baum stated that CBC felt fortunate to be able to maintain revenues from the previous year, noting that they receive the majority of their revenue from Illinois. He indicated that CBC monitors the situation very closely.

Commissioner Cutler asked what the process would be if the Commission did not approve the Fort Madison portion of the license renewal; can they reapply? Mr. Ketterer advised that it would be up to the Commission. Commissioner Cutler asked if it would be considered a new license, not a bifurcated license as in the past. Mr. Ketterer answered in the affirmative.

Commissioner Hayes stated that he was not sure what purpose having the bifurcated license served without any meaningful plan in place to do anything in Fort Madison.

Chair Seyfer concurred with Commissioner Hayes' comments. He stated that his approach would be to not renew the Fort Madison portion of the license; and, if and when they are ready to do something in Fort Madison, CBC would have to reapply. Chair Seyfer called for any further comments. Hearing none, he requested a motion to approve the license renewal with the amendment. Commissioner Hayes moved to approve the license renewal application of SIRRC/Catfish Bend Casinos II, L.C. d/b/a Catfish Bend Casinos II for a gambling structure in Burlington, Iowa. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 10-30)

Chair Seyfer called on Upper Mississippi Gaming Corp./Isle of Capri, Marquette, Inc., d/b/a Lady Luck Casino Marquette (UMGC/IOCM/LLCM). Todd Steffens, General Manager, introduced Sindee Gohde, Executive Director of UMGC. Mr. Steffens stated that in 2009 the property concluded the changeover to the Lady Luck brand, investing \$3 million in capital in the property. He requested approval of the license renewal application.

Ms. Gohde stated she believes everyone is here for the same purpose; to bring tourism, prosperity, and education to Iowa. She stated that since 1994, the Iowa Department of Economic Development has shown a 102% increase in the amount of tourism generated in Clayton County alone. Ms. Gohde stated that UMGC has granted over \$4 million over the years, which is significant in that area of the state. She stated that UMGC has a nine member board that is highly representative of the residents of Clayton County, and do a

wonderful job of encouraging organizations to apply for the grants as well as determining who will receive the grants. Ms. Gohde advised that the grant process is online, with the applications being reviewed by the Board in September, and the decision being made in October. The organizations are able to attend the October board meeting and listen, but can not address the board unless they are asked a question. She stated that UMGC does have a Conflict of Interest policy with their By-Laws. Ms. Gohde pointed out that Clayton County is one of the most scenic areas in the state and McGregor was recently voted one of Iowa's Great Places.

Hearing no further comments or questions, Chair Seyfer requested a motion. Commissioner Cutler moved to approve the license renewal application of UMGC/IOCM d/b/a/ LLCM as an Excursion Boat that will not cruise. Commissioner Urban seconded the motion, which carried unanimously. (See Order No. 10-31)

As no one signed up for Public Comment, Chair Seyfer moved to Administrative Business and the Notice of Horse Promotion Fund. Dr. Keith Soring, Director of Racing for IRGC, stated that the Commission would accept applications for the Horse Racing Promotion Fund until 4:30 PM on April 2, 2010. The funds available for 2010 are \$3,338.00. Applicants are required to submit a statement indicating how the funds will be utilized. The recipient of the 2009 funds is also required to submit an accounting of how the funds were utilized.

Mr. Ketterer advised that Chair Seyfer would draw to determine the order of the new applicant presentations to be held on March 23rd. Mr. Ketterer stated that the drawing is being conducted in alphabetical order. The presentations will take place in the following order: Lyon County – 2:00 PM; Tama County – 10:00 AM; Wapello County – 1:00 PM; and Webster County – 11:00 AM.

As there was no further business to come before the Commission, Chair Seyfer requested a motion to adjourn. Commissioner Cutler so moved. Commissioner Urban seconded the motion, which carried unanimously.

MINUTES TAKEN BY:

JULIE D. HERRICK